

Message Text

CONFIDENTIAL

PAGE 01 VIENTI 00701 080927Z
ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01
PRS-01 /111 W

-----080933Z 119154 /20

R 080701Z APR 77
FM AMEMBASSY VIENTIANE
TO SECSTATE WASHDC 8031
INFO AMEMBASSY BANGKOK
AMEMBASSY PARIS
AMCONSUL HONG KONG
AMCONSUL UDORN
CINCPAF FOR POLAD

C O N F I D E N T I A L VIENTIANE 0701

E.O. 11652: GDS
TAGS: ECON ENRG LA VN
SUBJECT: PIPELINE CARRIES FUEL FROM SRV TO LPDR; SHELL STORAGE
FACILITY REPORTED SEIZED

REF 76 VIENTIANE 2858

1. SHELL DIRECTOR IN THE LPDR TOLD EMBOFF IN CONFIDENCE
APRIL 7 THAT LOCAL SHELL EMPLOYEES REPORTED TO HIM IN
EARLY APRIL THAT FUEL IS FLOWING THROUGH A PIPELINE
FROM THE SRV TO A POINT NEAR THAKHEK. THE REPORT SAID
THAT THE PIPELINE EXTENDS UNDER ROUTE 13 AND THAT THERE
ARE GOVERNMENT STORAGE FACILITIES IN THE AREA.

2. CROSSMAN ALSO SAID THAT ON APRIL 5 HE RECEIVED AN
URGENT MESSAGE FROM LOCAL EMPLOYEES IN THAKHEK THAT
THE LAO GOVERNMENT HAD SEIZED SHELL STORAGE FACILITIES
IN THE THAKHEK AREA, NOT ALLOWING SHELL EMPLOYEES TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VIENTI 00701 080927Z

APPROACH THE SHELL FACILITIES. CROSSMAN SAID THAT HE
CALLED ON SINGKAPO SIKHTCHOUNLAMANY, SECRETARY OF
STATE WITHIN THE MINISTRY OF COMMUNICATIONS, PUBLIC
WORKS AND TRANSPORTATION, APRIL 6 TO ASK ABOUT THE
REPORT. SINGKAPO REPORTEDLY PROFESSED IGNORANCE OF
THE INCIDENT, THOUGH A DEPUTY WHO WAS PARTICIPATING IN
THE MEETING COMMENTED THAT "PERHAPS THE GOVERNMENT

NEEDED YOUR STORAGE TANKS."

3. CROSSMAN SAID THAT HE HAD BEEN TOLD APPROXIMATELY MARCH 1 THAT SHELL IN LAOS WOULD SOON BECOME ONLY AN IMPORTER, CEASING ITS MARKETING ACTIVITY. ON MARCH 24 CROSSMAN WAS REPORTEDLY TOLD THAT HE WOULD HAVE TO CEASE MARKETING OPERATIONS AS OF APRIL 1. HE PROTESTED THAT HIS ABRUPT ACTION WOULD REQUIRE REVIEW BY HIS DIRECTORS IN LONDON AND ADDED THAT HE WOULD NOT BE ABLE TO CONTINUE TO SUPPLY FUEL TO THE LPLA IN SUCH A SITUATION.

4. THE LAO REPORTEDLY WITHDREW THEIR APRIL 1 DEADLINE AND CROSSMAN HAS RENEWED HIS REGULAR MONTH-TERM CONTRACT TO SUPPLY FUEL TO THE LPLA. CROSSMAN SAID THAT HE HAS BEGUN TO SELL GRADUALLY SOME SHELL ASSETS IN THE LPDR. HE COMMENTED THAT FUEL DISTRIBUTION AND SERVICING OF INTERNATIONAL FLIGHTS AT WATTAY AIRPORT WERE LIKELY TO BE MAJOR PROBLEMS FOR THE LPDR SHOULD SHELL DEPARTM

5. COMMENT: SHELL OIL HAS BEEN REFERRED TO AS A CAPITALIST EXPLOITER IN SEMINARS CONDUCTED BY THE MINISTRY OF INTERIOR. THE PRESENCE OF A MULTINATIONAL CORPORATION LIKE SHELL IN A "SOCIALIST ECONOMY" IS AN ANOMALY THAT THE LAO, THANKS TO THE PIPELINE, ARE APPARENTLY PREPARING TO ELIMINATE, AS ANTICIPATED REFTEL.

CORCORAN
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 VIENTI 00701 080927Z

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, PETROLEUM INDUSTRY, PETROLEUM PIPELINES
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977VIENTI00701
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770122-1197
Format: TEL
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770472/aaaackqn.tel
Line Count: 97
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: f261bca7-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 VIENTIANE 2858
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2851521
Secure: OPEN
Status: NATIVE
Subject: PIPELINE CARRIES FUEL FROM SRV TO LPDR; SHELL STORAGE FACILITY REPORTED SEIZED
TAGS: ECON, ENRG, LA, VN, SHELL OIL CO
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/f261bca7-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009